



THE CITY OF SAN DIEGO
MANAGER'S REPORT

DATE ISSUED: July 14, 2004 REPORT NO. 04-158

ATTENTION: Committee on Land Use and Housing
Agenda of July 21, 2004

SUBJECT: Golden Hill Public Facilities Financing Plan

REFERENCE: Golden Hill Public Facilities Financing Plan Fiscal Year 2005

SUMMARY

Issues: Should the Council: 1) approve a Public Facilities Financing Plan for FY 2005 for the Golden Hill Community; 2) rescind the existing Development Impact Fees; and 3) approve the establishment of new development impact fees for all property within the Golden Hill Community.

Manager's Recommendation: Approve the Golden Hill Public Facilities Financing Plan - June 2004, rescind the existing Development Impact Fees and establish new Development Impact Fees for the Golden Hill Community.

Planning Committee's Recommendations: On May 12, 2004, the Golden Hill Planning Group voted 13-1-0 in favor of the Financing Plan.

Environmental Impact: None.

Fiscal Impact: Adoption of this financing plan will continue to provide new development's share of funding for the required public facilities.

BACKGROUND

Development Impact Fees (DIF) were established in 1987 by the City Council to mitigate the impact of new development in urbanized communities. Fees were based on the facility needs of each community. This plan updates the original facilities summary list for the Golden Hill Community adopted in 1987.

DISCUSSION

Public Facilities Financing Plan

The draft Golden Hill Public Facilities Financing Plan describes the public facilities that will be needed for the Golden Hill Community as it develops according to the Community Plan. Since Golden Hill is an urbanized community, most of the community facilities and infrastructure are already in place. A majority of the remaining needed facilities are in the categories of transportation, parks and fire improvements.

The proposed fees reflect the current costs of the facilities identified in the Golden Hill Community Plan and are necessary to maintain existing levels of service in the community. A summary of the proposed impact fees for Golden Hill follows:

Residential Units

Transportation	\$ 805	per unit
Park & Recreation	7098	per unit
Library	0	per unit
Fire	<u>221</u>	per unit
TOTAL FEE	\$8124	per unit

Commercial and Industrial

Transportation	\$115	per trip
Fire	\$221	per 1,000 square feet

The total impact fee for residential development will increase from \$1820 to \$8124 per dwelling unit, primarily due to the adjusted needs and costs for park and recreation facilities. The estimated cost for transportation facilities has increased from \$5,440,000 to \$6,795,000, resulting in a fee increase from \$86 to \$115 per trip. This increase is a result of updated cost estimates and expanded scope of some transportation projects. The estimated cost for park facilities increased from \$8,050,000 to \$55,788,000, resulting in a fee increase from \$1100 to \$7098. This increase is a more accurate reflection of acreage requirements and costs to meet population based park needs within the community. The estimated cost for fire facilities increased from \$1,277,680 to \$1,890,000, resulting in a fee increase from \$120 to \$221.

Projected costs for all projects are \$67,422,240. Eligible projects in the amount of \$64,473,000 will serve as the basis for the development impact fees, which will be collected at the time building permits are issued. Since these costs are for projects which will benefit both the existing community and future development, costs will be shared and new development is only expected to provide their pro-rata share for DIF eligible projects. Those portions of project costs not funded by new development through impact fees will need to be identified by future City Council actions in conjunction with the adoption of Annual Capital Improvements Program Budgets.

ALTERNATIVE

Do not approve the proposed Public Facilities Financing Plan and Development Impact Fee Schedule. This is not recommended because the new fees will ensure that new development continues to contribute its fair share for facilities identified in the Community Plan. In the absence of these fees, alternative funding sources would have to be identified to fund new development's share of the identified facilities.

Respectfully submitted,

S. Gail Goldberg, AICP
Planning Director

Approved: George Loveland
Assistant City Manager

GOLDBERG/CMG/VLB

Attachment: Golden Hill Facilities Financing Plan - June 2004 Draft

Note: Due to the size of the attachment, only a limited distribution was made. A copy is available for review in the office of the City Clerk.